

# **Michigan Virtual University**



House Education Committee  
April 2, 2009

## **Agenda**

- Brief History of MVU
- National Perspective for Online Learning
- Overview of MVU's Programs
- Business Model: Framework for the Future  
2009-14

## **Michigan Virtual University**

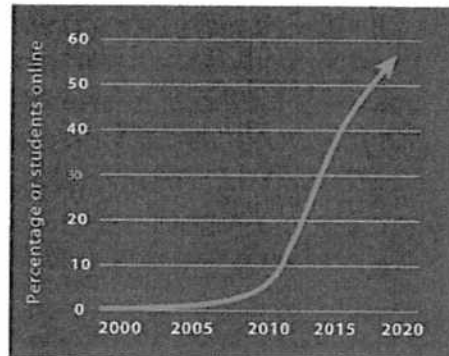
- 501(c)(3) private non-profit corporation established in 1998
- Michigan Virtual School created by Public Act 230 of 2000
- Governed by an independent board of directors

## **A National Perspective**

- 44 states have online learning programs
- 25 states have statewide virtual schools
- K-12 online learning is growing 30% annually
- 70% of high schools support online learners
- Funding policies for online learning vary

## Projected online enrollments for U.S. high school students 2009 - 2019

*"Current growth trends indicate the 50 percent of all courses in grades 9 – 12 will be take online by 2019" \**



\* Source: "Disrupting Class" by Clayton Christensen

## Michigan Second in U.S. for Online Learning

Center for  
**DIGITAL**  
EDUCATION  
The Premier Resource For Technology  
in the K-12 and Higher Education Markets

*"Michigan has provided significant leadership for the rest of the nation and is routinely looked to as a pioneer... The creation of the Michigan Virtual School, Michigan Learnport, and the nation's first high school graduation requirement for online learning are all significant milestones..."*

Center for Digital Education

## Michigan Second in U.S. for Online Learning



*"This national ranking reinforces Michigan's vision for innovation and our commitment to use leading-edge delivery methods to ensure our students are ready for higher education and today's workplace."*

Jennifer Granholm, Governor of Michigan

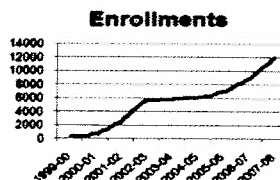
## Why Online Learning?

- Ease scheduling conflicts
- Graduate on time
- Learn at a different pace or time
- Meet new students & learn new cultures
- Take summer school courses
- Take subjects not otherwise offered
- Learn computer/technical skills
- Prepare for state & AP exams
- Develop 21<sup>st</sup> Century skills



## Michigan Virtual School

- Approximately 500 schools served in Michigan
- Over 50,000 online course enrollments with grow rate over 30% per year
- Over 150,000 students have used free online test review tools from MVU



## Michigan Virtual School

- **Delivers online courses** with more than 150 titles, including all of the core Michigan Merit Curriculum (MMC) requirements.
  - Projected to reach 17,000 enrollments in FY09
  - Taught by Michigan Highly Qualified Teachers
- **Builds the capacity of Michigan schools** to support students taking online learning courses, including mentor training, teacher training, online resources, technical assistance and content development.

## **Michigan Virtual School Accreditation**



MVU has been awarded accreditation by the Commission on International and Trans-Regional Accreditation (CITA). CITA is an accrediting authority in the U.S. and throughout the world and is an alliance of the premier American accrediting associations, including the North Central Association Commission on Accreditation and School Improvement (NCA) which accredits schools in 19 states, including Michigan.

## **MyDreamExplorer® Online Career Development Tool**

- Assessments to gauge student interest
- College & career exploration
- Informational interviews
- Seminars for parents & educators
- Educational Development Plan (EDP)
- Financial aid information
- Reference & Internet resources
- Free access state-wide with legislative support

## **Michigan LearnPort®**

- Michigan LearnPort, a statewide online professional development portal, is funded through ESEA Title IIA and was developed through a partnership between MVU and the Michigan Department of Education.
- Project 100% funded by federal funds.
- Michigan LearnPort is available at no cost to all Michigan educators and other school employees.



## **Michigan LearnPort®**

- 40,000+ educators have created an account
- Nearly 300 online courses available
- Close to 6,000 course enrollments since October
- More than 4,000 course completions since October
- Over 200 professional learning communities
- Top enrolled course: "Transition Planning Made Easier" special education focus
- Educational search engine and other resources

## **Current State Models for Funding Virtual Schools**

- State appropriation
- Formula tied to FTE public school funding
- Course fees
- No state role
- A combination approach (Michigan strategy)

## **Different Models**

**Florida** – Virtual School received a prorated per-pupil funding allocation valued at **\$526** for each successful online course completion and served more than 120,000 course registrations in FY 08. (\$63 million)

**Idaho** - Digital Learning Academy received \$3.2 million in FY 08 based upon 6,619 enrollments (equals **\$483** per course enrollment)

**West Virginia** - Virtual School budget for the FY 08 was \$450,000 and pays for online courses on a first-come, first-served basis. Fees range from **\$150 to \$850 per credit**.

**Maryland** - Virtual Learning Opportunities is funded through course fees paid by districts, the average per-student, per-course fee is **\$450-600**.

**Michigan** – Virtual School received \$2.6 million in FY 08 and charged schools and average of \$245 for each instructor-led course enrollment and served more than 11,000 course registrations (Cost for an instructor-led course is approximately **\$427**).

## **MVU's Business Model**

### **A Framework for the Future: 2009-14**

## **Underlying Assumptions**

- The current educational system does not adequately serve all children in Michigan;
- Doing "more of the same" in the traditional system will not generate the results needed to make Michigan's K-12 system globally competitive;
- Michigan's government and legislative leaders will continue to encourage policy approaches that "open the system" and foster innovative learning options for students;

## **Underlying Assumptions**

- Effective online learning environments can offer students of all abilities engaging, relevant and flexible opportunities that address individual learning needs;
- MVU should work to continue to rely on a mix of state and federal appropriations, private grant support and sales revenue to sustain operations and fuel projected growth during the next five years.

## **MVU's Core Business Strategies**

1. Focus on New Graduation Requirements
2. Policy Development
3. Partnerships and Sponsorships
4. Global Approach
5. Innovation and New Tools
6. Expanded Outreach and New Markets

## **MVS Course Fees**

- Course enrollment fees range from \$75 for an online middle school summer camp to \$350 for a one-semester online AP course.
- Semester-length instructor-led courses represent approximately 75% of MVS enrollments. The average cost to schools for this format is \$245 per enrollment.
- The MVS product mix for online course formats generate margins that range from \$60 positive to \$182 negative per enrollment.

## **ISD Consortia Arrangements**

MVS has established collaborative working relationships with one-third of the state's 57 intermediate school districts to facilitate volume discount purchasing arrangements for their constituent local school districts.

## MVU Road to the Future

### Capacity Builder

- Unbundled Solutions
- Teacher Training
- Course Content
- Hosting
- LMS Solutions
- Consulting



### Service Provider

- Online Courses
- Turnkey Solutions

## Private Sector Partners

ed2go

THINKronize enhancing the education of youth

Apex Learning

ExploreLearning

Microsoft

Bb

BRIDGES  
Explore • Plan • Achieve

PLATO  
SCHOOL

SCHOOL  
IMPROVEMENT  
NETWORK

hp

eventa

NATIONAL  
HALL OF FAME

Buy  
WIN Courseware Products  
online

powerspeak  
Security Alert Center

LITTLE  
PLANET  
LEARNING

Holt  
Online  
Learning

Ariatink

InfoSource

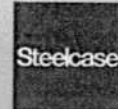
plwiki

MICHIGAN  
OPERA  
THEATRE

MERIDIAN  
Knowledge Solutions, LLC  
A Visionary Integrative Professionals company

Meridian

## Corporate & Foundation Support



## MVU's Long Term View of Success

*Provide leadership by  
expanding, improving and  
innovating learning  
opportunities for K-12 students  
and educators.*

## **MVU's Overarching Goal**

*Serve as a catalyst for change by providing quality Internet-based programs that strengthen teaching and learning for K-12 education.*

## **QUESTIONS**

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## **Michigan Ranks Second in U.S. For Online Learning**

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November 18, 2008

LANSING – Two years after Michigan gained national attention as the first state in the nation to require online learning as a requirement for high school graduation, the state now is being recognized as second in the nation for its online learning policy and practice.

“In a world that demands knowledge workers, we are giving our students and our state a competitive advantage when it comes to preparing for the 21st century economy,” said Governor Jennifer Granholm. “This national ranking reinforces Michigan’s vision for innovation and our commitment to use leading-edge delivery methods to ensure our students are ready for higher education and today’s workplace.”

The Center for Digital Education (CDE) evaluated the overall landscape of online learning and compiled state rankings to reflect the vision, policies, programs and strategies that states have deployed around online learning in an effort to transform their academic environment to meet student needs.

“Michigan has provided significant leadership for the rest of the nation in online learning and is routinely looked to as a pioneer,” said Marina Leight, director of the Center for Digital Education. “The creation of the Michigan Virtual School, Michigan LearnPort and the nation’s first high school graduation requirement for online learning are all significant milestones that demonstrate Michigan’s leadership position in this area.”

State Superintendent of Public Instruction Mike Flanagan said Michigan schools need to use a variety of teaching methods to reach every student.

“Online learning can provide a powerful alternative for students who have a need for greater flexibility with their education due to individual learning styles, employment commitments and comfort with traditional school environments,” Flanagan said. “There is a significant potential to expand the use of online learning as a practical strategy to help students stay in school and graduate.”

Michigan’s ranking reflects the growth of *Michigan Virtual School*® (*MVS*®), which provides online courses to more than 500 schools throughout the state. Since its inception in 2000, *MVS* has recorded more than 45,000 online course enrollments in subjects ranging from Algebra to Mandarin Chinese and AP Physics. Accredited in 2005, *MVS* is one of the largest virtual schools in the nation.

“This national ranking helps to underscore the importance of the work we have been doing for the last 10 years,” said Jamey Fitzpatrick, president and CEO of *MVU*®, the parent company of *MVS* and *Michigan LearnPort*®. “I am extremely proud of our accomplishments as a state.”

OVER

In 2006, Michigan became the first state in the nation to require students to successfully complete an online course or learning experience as part of the Michigan Merit Curriculum. This action was part of a comprehensive effort to revamp Michigan's high school graduation requirements beginning with the graduating class of 2011.

The Center for Digital Education is a national research and advisory institute for K-12 and higher education technology. The CDE conducted its first review of state policies and programs to determine the status of online learning across the U.S. This review and state ranking was produced in partnership with the Council of Chief State School Officers and the North American Council for Online Learning. The first ever national rankings are as follows:

1. Florida	18. Missouri	35. Indiana
2. Michigan	19. Kentucky	36. New Hampshire
3. Idaho	20. Iowa	37. Wisconsin
4. Arkansas	21. Massachusetts	38. Arizona
5. Louisiana	22. Kansas	39. Montana
6. New Mexico	23. Alabama	40. Texas
7. West Virginia	24. Maryland	41. Vermont
8. North Carolina	25. Nevada	42. Rhode Island
9. Minnesota	26. Georgia	43. New Jersey
10. Hawaii	27. Alaska	44. Delaware
11. Ohio	28. Washington	45. Tennessee
12. Virginia	29. Wyoming	46. Nebraska
13. Illinois	30. Oregon	47. New York
14. Colorado	31. North Dakota	48. Connecticut
15. Oklahoma	32. Mississippi	49. California
16. South Dakota	33. Utah	50. Maine
17. South Carolina	34. Pennsylvania	

Click [here](http://www.centerdigitaled.com/index.php) to access a copy of the CDE report. For more information on the Center for Digital Technology visit: <http://www.centerdigitaled.com/index.php>. For more information about *MVU* and its online programs for the K-12 community visit <http://www.mivu.org>.

*MVS* is a division of *MVU*, a state-supported, nonprofit organization that provides online learning solutions to the state's K-12 community through online courses for students and online professional development for teachers through its *Michigan LearnPort* division.